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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

APEX DIRECTIONAL DRILLING, LLC, an
Oregon limited liability company authorized
to do business in the State of California,

Plaintiff,

v.

SHN CONSULTING ENGINEERS &
GEOLOGISTS, INC., a California
corporation,

Defendant.

Case No. 15-CV-02501-RS
ORDER

**STIPULATION TO STAY DISCOVERY
AND RESET CASE MANAGEMENT
SCHEDULE**

Plaintiff Apex Directional Drilling, LLC ("Apex") and Defendant SHN Consulting Engineers & Geologists, Inc. ("SHN"), by and through their counsel, hereby stipulate and jointly request that the Court stay discovery and reset the Case Management Schedule to accommodate mediation among Apex, SHN, and third parties. This Stipulation is filed concurrently with the Declaration of Michael Willes, in compliance with Civil L.R. 6-2(a).

Apex filed the Complaint (ECF No. 1) initiating this Action on June 5, 2015. Apex alleges that SHN made faulty representations regarding subterranean conditions that contractors such as Apex would encounter while working on a large sewer project for the City of Eureka, California. SHN denies these allegations.

1 On September 10, 2015, Apex and SHN attended a case management conference. In its
2 Case Management Scheduling Order (ECF No. 32), the Court set the following discovery
3 deadlines:

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- Completion of written non-expert discovery: March 10, 2016
- Completion of all non-expert discovery: July 16, 2016

5 By mail, SHN served Requests for Production of Documents (Set One) and Requests for
6 Admission (Set One) on Apex on October 29, 2015. Informally, SHN has received access to
7 Apex documents and discovery responses from the City of Eureka.

8 As noted in Item 10 of the parties' Joint Case Management Statement (ECF No. 28), the
9 City of Eureka had previously filed a complaint against Apex and the Cincinnati Insurance
10 Company ("CIC"), asserting breach of contract, among other causes of action, in compelled
11 arbitration before the California State Office of Administrative Hearings (the "OAH"). Only the
12 City of Eureka, Apex, and CIC are parties to the OAH arbitration. The City of Eureka claims
13 that Apex is liable for not completing a portion of the sewer project referenced above. Apex
14 denies liability and has cross-complained against the City of Eureka.

15 On September 24, 2015, the City of Eureka, Apex, and CIC agreed to mediate their
16 dispute. SHN has also agreed to participate in the mediation so that a global resolution of the
17 OAH arbitration and this Action may be reached. On October 1, 2015, the arbitrator ordered, in
18 line with the parties' stipulation, that further arbitration proceedings and discovery be stayed and
19 that the arbitration discovery deadlines be reset, if necessary, following mediation. The parties
20 have agreed to hold the mediation on Monday, February 22, 2016.

21 To promote the just, speedy, and inexpensive resolution of these disputes, Apex and SHN
22 stipulate and agree that if the claims in this Action are not resolved at the February 22, 2016
23 mediation, then the pending discovery served by SHN would be due within 30 days (March 23,
24 2016). In addition, Apex and SHN stipulate, agree and acknowledge that notwithstanding an
25 agreement to stay discovery in this Action, that the parties will need to complete extensive
26 written discovery and depositions in preparation for trial and in order to file pre-trial dispositive
27 written discovery and depositions in preparation for trial and in order to file pre-trial dispositive
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1 motions. Therefore, Apex and SHN stipulate and request that the Court order as follows in this
2 Action:

3 1. To stay all discovery pending the completion of mediation.
4 2. To reset the Case Management Schedule following the mediation, if
5 necessary, in order to reset the deadlines to complete written non-expert
6 discovery; the deadline to complete non-expert discovery; the deadline to file
7 and hear all dispositive pre-trial motions; and if necessary, the trial date and
8 associated pre-trial deadlines.

9 **IT IS SO STIPULATED.**

10 DATED: December 3, 2015.

11 TONKON TORP LLP
12

13 By /s/ Michael C. Willes
14 Michael C. Willes, SBN 273145
15 Attorneys for Apex Directional Drilling, LLC
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17 DATED: December 2, 2015.
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19 GORDON REES SCULLY MANSUKHANI, LLP
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21 By /s/ Michael W. Wilson, Jr.
22 Ernest M. Isola, SBN 191486
Michael D. Wilson, Jr., SBN 233334
23 Attorneys for SHN Consulting Engineers &
Geologists, Inc.
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25 **PURSUANT TO STIPULATION, IT IS SO ORDERED.**

26 DATED: 12/7/15

27 
28 Hon. Richard Seeborg
United States District Judge